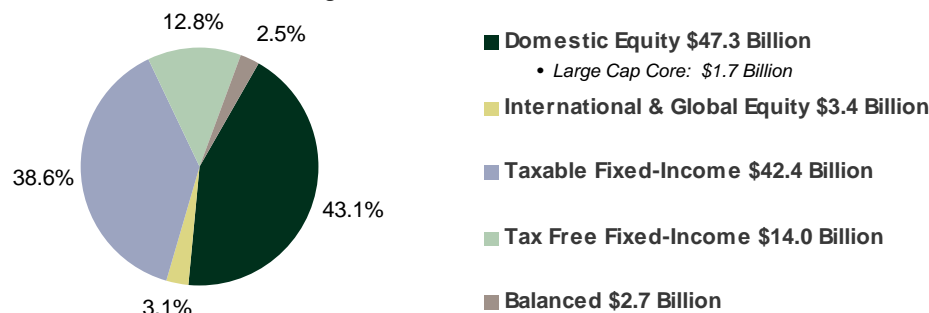


# Large Cap Core Equity

All Information as of December 31, 2010

## ASSETS UNDER MANAGEMENT

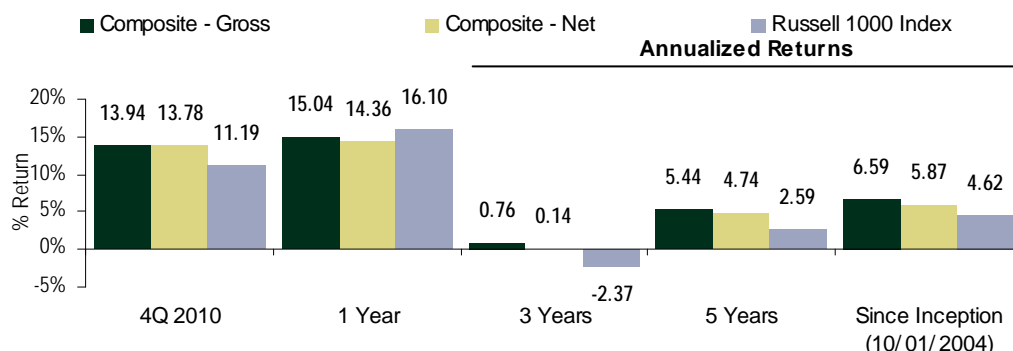
\$109.8 Billion Assets Under Management\*



\*Includes \$3.3 billion for which Lord Abbett provides investment models to managed account sponsors.

## PERFORMANCE RESULTS

Lord Abbett Large Cap Core Institutional Composite\*



\*Please see Important Information for additional information regarding the effect of fees on performance. Past performance is not indicative of future results.

## MARKET OUTLOOK

Although we saw a slowdown in economic growth during the summer, economic data improved during the fourth quarter, and we expect growth to continue in 2011. We continue to invest in companies that are positioned for strong revenue and earnings growth. Within the financials sector, we are maintaining an overweight, with an emphasis on companies that should benefit from improved credit quality and a better economy. We remain overweight within the consumer discretionary sector, particularly within hotels, retail, and cruise lines. These segments should do well as incomes grow and consumer spending improves. Information technology is now a slight overweight, as we expect improved corporate profits to result in increased capital spending. Conversely, our favorable economic outlook has led us to underweight relatively defensive sectors, such as consumer staples, utilities, and industrials.



Daniel H. Frascarelli, CFA  
Partner & Director

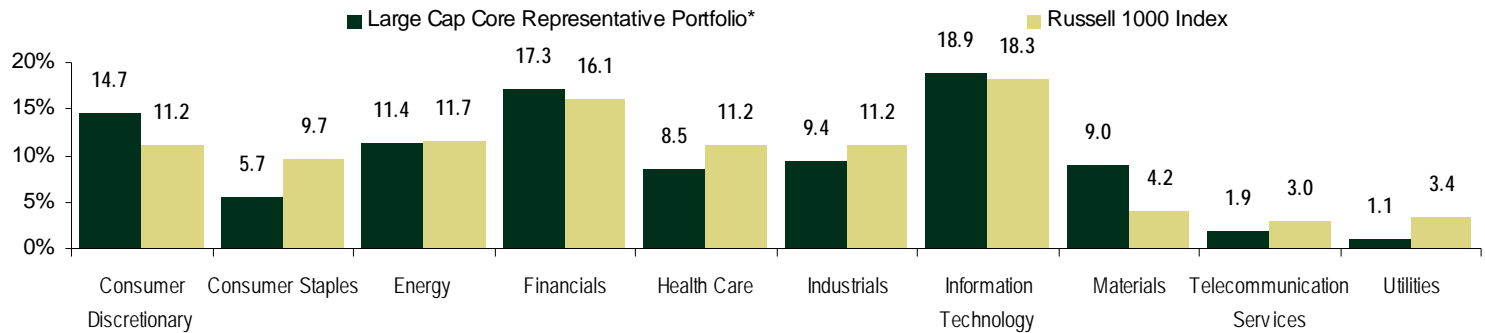


Randy M. Reynolds, CFA  
Portfolio Manager



Frank Timons  
Portfolio Manager

## SECTOR ALLOCATION



### Strongest 4Q10 Portfolio Sectors

Materials (+24%)

Energy (+23%)

Percentage shown reflects the performance of a particular sector. *Past performance is not indicative of future results.*

### Weakest 4Q10 Portfolio Sectors

Utilities (+0%)

Health Care (+1%)

## TEN LARGEST REPRESENTATIVE PORTFOLIO HOLDINGS\*

Company	% of Total
Apple, Inc.	3.5
Schlumberger Ltd.	2.5
JPMorgan Chase & Co.	2.0
Google, Inc.	2.0
Goldman Sachs Group, Inc.	1.9

Company	% of Total
Bank of America Corp.	1.9
Marriott International, Inc.	1.6
Union Pacific Corp.	1.6
Exxon Mobil Corp.	1.6
Wells Fargo & Co.	1.4

**Total**

**20.0%**

\* The representative portfolio information reflects an individually managed institutional account that Lord Abbett deems to be representative of the portfolio composition for the investment strategy as of the date shown above and does not represent all of the securities purchased, sold or recommended for client accounts. The client should not assume that an investment in the securities identified was or will be profitable. Portfolios are actively managed and portfolio characteristics may change significantly over time.

## IMPORTANT INFORMATION

Lord, Abbett & Co. LLC's Large Cap Core Equity Tax-Exempt Institutional Composite (the "Composite") is comprised of all fully invested equity portfolios managed on behalf of tax-exempt investors investing primarily in large capitalization securities that Lord Abbett deems to be undervalued on a relative basis, or to have long term growth potential, or both. Effective January 1, 2000, only accounts with an initial value of \$10 million or more are included in the composite. The Composite's assets as of December 31, 2009 were \$1,411 million, which represented 1.6% of the firm's total assets. Performance results are expressed in U.S. dollars and reflect reinvestment of any dividends and distributions. Cash flows are adjusted on a time-weighted basis and an account is revalued in the event a cash flow equals or exceeds 10%. To receive a complete list and description of Lord Abbett's composites and/or a presentation that adheres to the GIPS® standards, please visit the firm's website at [www.lordabbett.com](http://www.lordabbett.com) or contact Lord Abbett's Performance Measurement Group at (201) 827-2783.

Lord Abbett claims compliance with the Global Investment Performance Standards ("GIPS®"). The CFA Institute has not been involved with or reviewed Lord Abbett's claim of compliance. For GIPS® purposes, Lord Abbett defines the Firm as all assets managed by the Firm, including mutual funds (all classes of shares), separate/institutional accounts, individual accounts and separately managed accounts managed by Lord, Abbett & Co. LLC. This definition of the firm does not include any hedge fund or separately managed program accounts where Lord Abbett does not have the records so long as it is impossible for Lord Abbett to have the records (within the meaning of relevant GIPS interpretations). The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 90% of the total market capitalization of the Russell 3000 Index. The Russell 1000® Index, which includes reinvested dividends, has been obtained from published sources.

The performance of the Composite is shown net and gross of advisory fees. The deduction of advisory fees (and the compounding effect thereof over time) will reduce the performance results and, correspondingly, the return to an investor. The net performance for the Composite illustrates the effect of the deduction of the highest advisory fee borne by any account in the Composite (an annual rate of 0.75% of assets) and other expenses (including trade execution expenses). The affect of fees and expenses on performance will vary with the relative size of the fee and account performance. **For example, if \$10 million were invested and experienced a 10% compounded annual return for ten years, its ending dollar value, without giving effect to the deduction of the advisory fee, would be \$25,937,425. If an advisory fee of 0.75% of average net assets per year for the ten-year period were deducted, the annual total return would be 9.19% and the ending dollar value would be \$24,222,249. The management fee schedule is as follows: 0.60% on the first \$20 million, 0.50% on the next \$30 million, 0.35% on the next \$50 million, 0.25% on the next \$100 million and 0.20% on all assets over \$200 million.**

For the periods from 1993 to 2009, Lord, Abbett & Co. LLC has been verified by Deloitte & Touche. A copy of the verification report is available upon request. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request.

**Past performance is not indicative of future results.** Differences in account size, timing of transactions and market conditions prevailing at the time of investment may lead to different results among accounts. Differences in the methodology used to calculate performance also might lead to different performance results than those shown. The Composite performance is compared to that of an unmanaged index, which does not incur management fees, transaction costs or other expenses associated with a managed account.